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Distr.
LIMITED
TD/II/WG.II/L.10
25 March 1968
Original: ENGLISH

United Nations Conference on Trade and Development

Second session
New Delhi, India
1 February 1968
WORKING GROUP II
Agenda item 14

Dual distr.

Draft Declaration of support by developed market economy countries on trade expansion and regional economic co-operation among developing countries

Submitted by the representative of Sweden at the 8th meeting of the Working Group II on behalf of: Australia, Austria, Belgium, Denmark, Federal Republic of Germany, Finland, France, Greece, Japan, Netherlands, New Zealand, Norway, Spain, Sweden, Switzerland, Turkey, United Kingdom and United States of America

1. The developed countries welcome the intention of the developing countries to conclude arrangements among themselves, aimed at promoting economic growth and expanding their mutual trade. They share the belief that trade expansion and intensified economic co-operation between developing countries should make an important contribution towards their development. They further believe that efforts in this direction, so long as they foster a rational and liberal expansion of production and trade, and avoid undue injury to the trading interests of third parties, should contribute in the long run to the expansion of world trade and should promote more effective use of the resources available for development.

2. The developed countries declare their general readiness to support initiatives of the developing countries, to increase their trade and strengthen their economic co-operation, along the lines indicated above and are prepared to consider what help they can give to any concrete proposals which may be put forward. Such help might take the form of action in the field of commercial policy as well as technical assistance and financial aid.

3. If, after examination and consultation, particular trading arrangements among the developing countries are found to be consistent with the objectives set out above the developed countries are ready to support such arrangements, which may imply

derogation from existing international obligations, including appropriate waivers of their rights to most-favoured nation treatment. There should be provision for appropriate consultations on these arrangements.

4. While the initiative in regional co-operation must come from the developing countries, the developed countries are prepared to assist initiatives of this kind in the allocation of their financial and technical assistance. This help must depend both upon the nature and merits of individual proposals, on the priority attached to them on the part of the developing countries concerned, on the aid policies of individual donor countries, and the nature and structure of their aid programmes. Such measures might include: assistance to financial institutions embracing groups of developing countries; financial and technical assistance in the planning and implementation of regional projects; and assistance to meet the need for interim support to developing countries arising from obligations which they may have undertaken in connexion with their participation in arrangements for regional co-operation or integration.